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UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF CALIFORNIA
SAN JOSE DIVISION

IN RE JUNIPER NETWORKS, INC.
SECURITIES LITIGATION

No. C06-04327-JW (PVT)

STIPULATION OF SETTLEMENT

THE NEW YORK CITY EMPLOYEES'
RETIREMENT SYSTEM, et al.,

No. C08-0246-JW (PVT)

Lead Plaintiffs,

v.

LISA C. BERRY,

Defendant.

STIPULATION OF SETTLEMENT – CASE NOS. C06-04327-JW (PVT) AND C08-0246-JW (PVT)

1 Lead Plaintiff, the New York City Employees' Retirement System, the Teachers'
 2 Retirement System of the City of New York, the New York City Fire Department Pension
 3 Fund, the New York City Police Pension Fund, the New York City Police Superior Officers'
 4 Variable Supplements Fund, the New York City Police Officers' Variable Supplements Fund,
 5 the New York City Firefighters' Variable Supplements Fund, the New York City Fire Officers'
 6 Variable Supplements Fund and the New York City Teachers' Retirement System of the City of
 7 New York Variable Annuity Program (collectively the "NYC Funds" or "Lead Plaintiff"), on
 8 behalf of itself and the Class (as hereinafter defined), Defendants Juniper Networks, Inc.
 9 ("Juniper" or the "Company"), Scott Kriens, Marcel Gani, Pradeep Sindhu, Robert M.
 10 Calderoni, Kenneth Goldman, William R. Hearst III, Stratton Sclavos, Vinod Khosla, Kenneth
 11 Levy, and William R. Stensrud (collectively, the "Juniper Defendants") and Lisa C. Berry
 12 ("Berry") by and through the undersigned, hereby enter into this Stipulation of Settlement (the
 13 "Stipulation") pursuant to the terms and conditions set forth below. This Stipulation is intended
 14 to fully, finally and forever resolve, discharge and settle the Released Claims (as defined below)
 15 upon and subject to the terms and conditions below, subject to approval of the United States
 16 District Court for the Northern District of California.

17 WHEREAS,

18 A. Currently pending in this Court is a consolidated class action entitled *In re*
 19 *Juniper Networks, Inc. Securities Litigation*, Master Case No. C06-04327-JW (the "Juniper
 20 Action"), consisting of the actions commenced in this Court with the docket numbers as
 21 follows: *Garber v. Juniper Networks, Inc. et al.*, Case No. 06-04327 (MJJ); *Peters v. Juniper*
 22 *Networks, Inc. et al.*, Case No. 06-05303 (JW); and *Vornado v. Juniper Networks, Inc. et al.*,
 23 Case No. 07-03805 (MJJ).

24 B. A separate putative class action is also pending in this Court, styled *New York*
 25 *City Employees' Retirement System et al. v. Lisa C. Berry*, Case No. 08-0246-JW (individually
 26 the "Berry Action" and collectively with the Juniper Action, the "Actions").

27 C. On July 14, 2006, the initial securities class action in the Juniper Action was filed,
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1 titled *Garber v. Juniper Networks, Inc. et al.* On November 20, 2006, pursuant to the Private
2 Securities Litigation Reform Act ("PSLRA"), the Court granted Lead Plaintiff's Motion for
3 Consolidation of the Juniper Action, for appointment as the Lead Plaintiff, and for approval of
4 Lead Plaintiff's selection of the law firm of Lowey Dannenberg Cohen & Hart, P.C. as the Lead
5 Counsel ("Lead Counsel") in the Juniper Action;

6 D. On January 12, 2007, Lead Plaintiff filed a Consolidated Class Action Complaint,
7 and on April 9, 2007, Lead Plaintiff filed the Amended Consolidated Class Action Complaint in
8 the Juniper Action (the "Complaint"). The Complaint asserts claims against various
9 Defendants under Sections 10(b) and 20(a) of the Securities Exchange Act of 1934 (the
10 "Exchange Act") and Rule 10b-5 promulgated by the Securities and Exchange Commission
11 ("SEC"), and under Sections 11 and 15 of the Securities Act of 1933 (the "Securities Act").

12 E. The Complaint also asserts a claim under Section 11 of the Securities Act against
13 Ernst & Young LLP ("EY"), which is not a signatory to the Stipulation.

14 F. The Complaint alleges that from Juniper's initial public offering in June 1999,
15 and continuing through the Class Period (defined herein), the Juniper Defendants engaged in a
16 scheme to backdate Juniper's stock option grants and to materially misrepresent and omit
17 material facts concerning Juniper's option-granting practices in the Company's filings with the
18 SEC. The Complaint further alleges that Juniper Defendants improperly accounted for stock
19 option grants by failing to record approximately \$900 million in compensation expenses over a
20 several-year period, in violation of generally accepted accounting principles ("GAAP"), and
21 that, as a result, Juniper's reported earnings and stock price were alleged artificially inflated.
22 The Complaint alleges that Juniper's stock price declined in May 2006, when the financial
23 media began to expose Juniper's option-granting practices, and further declined in connection
24 with Juniper's August 10, 2006 announcement that the Company would restate its financial
25 results for the period beginning January 1, 2003 through March 31, 2006.

26 G. On June 7, 2007, the Juniper Defendants moved to dismiss the Complaint on the
27 ground that, among other things, it failed to state a claim for relief under Section 10(b) and Rule
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1 10b-5 under the standards of the Private Securities Litigation Reform Act ("PSLRA") and
2 under Rule 9(b) of the Federal Rules of Civil Procedure. The motion was granted in part and
3 denied in part pursuant to an Order issued on March 31, 2008. On June 23, 2008, the Juniper
4 Defendants answered the Complaint.

5 H. On January 14, 2008, Lead Plaintiff commenced the Berry Action. The
6 Complaint in the Berry Action asserts claims under Section 10(b) and 20(a) of the Exchange
7 Act and Rule 10b-5 against Berry. On February 27, 2008, the Berry Action was assigned to
8 Judge Ware as a related case to the Juniper Action. The Court has declined to consolidate the
9 Berry Action with the Juniper Action.

10 I. On September 4, 2008, Lead Plaintiff and the Juniper Defendants engaged in a
11 mediation before the Honorable Nicholas Politan. The mediation was unsuccessful.

12 J. On September 29, 2008, Berry moved to dismiss the initial complaint in the Berry
13 Action. On May 15, 2009, Berry's initial motion to dismiss was granted in part and denied in
14 part. On June 18, 2009, Lead Plaintiff filed an Amended Class Action Complaint in the Berry
15 Action. On July 13, 2009, Berry moved to dismiss the Amended Class Action Complaint. On
16 September 24, 2009, the Court granted in part and denied in part Berry's motion to dismiss the
17 Amended Class Action Complaint. On October 14, 2009, Berry filed an answer to the
18 Amended Class Action Complaint.

19 K. On March 2, 2009, Lead Plaintiff moved in the Juniper Action for class
20 certification under Rule 23(a) and (b)(3) of the Federal Rules of Civil Procedure. In connection
21 with Lead Plaintiff's motion, the parties engaged in substantial fact and expert discovery,
22 briefing, and oral argument. On September 25, 2009, the Court issued an order certifying the
23 following class in the Juniper Action:

24 All persons and entities who purchased or otherwise acquired the
25 publicly traded securities of Juniper Networks, Inc. from July 11,
26 2003 through August 10, 2006, inclusive, and who did not sell
27 such acquired securities before May 18, 2006, and were damaged,
28 including (a) those who received or acquired Juniper common
stock issued pursuant to a registration statement on SEC Form S-4,
dated March 10, 2004, for the Company's merger with NetScreen
Technologies Inc.; and (b) purchasers of Zero Coupon Convertible

1 Senior Notes due June 15, 2008 issued pursuant to a registration
2 statement on SEC Form S-3, dated November 20, 2003. Excluded
3 from the Class are the Defendants and the current and former
4 officers and directors of the Company, their immediate families,
5 their heirs, successors, or assigns and any entity controlled by any
6 such person.

7 L. On October 12, 2009, The Juniper Defendants and Lead Plaintiff filed a
8 Submission Re Dissemination of Class Notice attaching a form of class notice and a proposal
9 for dissemination of notice to the Class.

10 M. On October 16, 2009, the Court issued an Order Denying Defendants' Motion for
11 Leave to File Motion for Reconsideration, Correcting Typographical Error, with respect to the
12 Court's September 25, 2009 Order and Opinion regarding to class certification.

13 N. On November 20, 2008, the Court entered a Stipulated Discovery Plan in the
14 Juniper Action. Pursuant to the Discovery Plan, the Lead Plaintiff and the Juniper Defendants
15 have served numerous sets of document requests, interrogatories, and requests for admission,
16 and have deposed 41 party and third-party witnesses. In addition, more than 2.5 million pages
17 of documents have been produced by the parties and non-party witnesses. Following the
18 Court's denial of the motion to dismiss the Amended Complaint in the Berry Action, Lead
19 Plaintiff also served discovery requests and noticed depositions in the Berry Action.

20 O. On September 2, 2009, the Juniper Defendants filed a motion for judgment on the
21 pleadings on the ground that the alleged May 2006 disclosures are not corrective disclosures for
22 which Lead Plaintiff could plead loss causation. On October 9 and October 16, 2009,
23 respectively, Lead Plaintiff filed its Opposition and the Juniper Defendants filed their Reply.
24 The parties subsequently adjourned the hearing date on the motion for judgment on the
25 pleadings, and the Juniper Defendants thereafter stipulated to withdraw the motion for
26 judgment on the pleadings in light of the pending settlement.

27 P. Lead Plaintiff, through Lead Counsel, represents that it has made a thorough
28 investigation into the facts and circumstances relevant to the claims alleged in the operative
complaints in the Actions and has extensively consulted with damages and accounting experts.
The settlement contemplated by this Stipulation is the result of a two-day mediation that was

1 undertaken after fact discovery was nearly completed in the Juniper Action. Following
2 intensive sessions held on February 4 and 5, 2010, under the aegis of a professional mediator,
3 former United States District Court Judge Abraham D. Sofaer, the parties entered into an
4 agreement in principle which is memorialized in a Memorandum of Understanding dated
5 February 5, 2010. With the assistance of Judge Sofaer, the parties, by their counsel, have
6 conducted extensive discussions and arm's-length negotiations concerning both the mediation
7 process and the terms and conditions of this Settlement.

8 Q. Lead Plaintiff, through Lead Counsel, represents that its investigation of the
9 claims asserted in the Actions has included, *inter alia*: (1) detailed reviews of millions of pages
10 of documents produced over the course of the litigation; (2) conducting 28 fact depositions,
11 plus the deposition of the Juniper Defendants' expert; (3) a comprehensive discovery program
12 that included numerous sets of document requests, interrogatories, and requests for admission;
13 (4) consultation with a well-recognized financial analyst, concerning causation analysis and the
14 amount of damages sustained by the Class; (5) a review of reports prepared by the financial
15 experts for the Lead Plaintiff and the Juniper Defendants which addressed issues of loss
16 causation; (6) review of analysts' reports and articles in the financial press relating to Juniper;
17 and (7) research of the applicable law with respect to the claims asserted in the Complaints filed
18 in the Actions covering the Class Period, and the potential defenses thereto.

19 R. Lead Plaintiff and Lead Counsel believe that their claims have merit, but have
20 nonetheless concluded that it is in the best interests of Lead Plaintiff and the Class to settle the
21 Actions on the terms contained in this Stipulation after considering the following factors:
22 (1) the substantial financial benefits provided herein for the Class; (2) the attendant risks of
23 litigation; (3) the expense and length of time necessary to prosecute the Actions through trial;
24 (4) the defenses asserted by and available to the Defendants; (5) the uncertainties of the
25 outcome of this complex litigation; (6) the fact that resolution, whenever and however
26 determined, would likely be subject to appellate review, as a consequence of which it might be
27 many years until final adjudication of the Actions; and (7) the desirability of permitting the
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1 Settlement to be consummated as provided by the terms of this Stipulation.

2 S. The Defendants have denied and continue to deny each and all of the claims and
3 contentions alleged by the Lead Plaintiff in the Actions. Defendants expressly have denied and
4 continue to deny all charges of wrongdoing or liability against them arising out of any of the
5 conduct, statements, acts or omissions alleged, or that could have been alleged, in the Actions.
6 Defendants also have denied and continue to deny, *inter alia*, the allegations that the Lead
7 Plaintiff or the Class have suffered damage, that the price of Juniper securities was artificially
8 inflated by reason of alleged misrepresentations, non-disclosures or otherwise, and that the
9 Lead Plaintiff or the Class were harmed by the alleged misconduct.

10 T. Nonetheless, the Defendants have concluded that further conduct of the Actions
11 would be protracted and expensive, and that it is desirable that the Actions be fully and finally
12 settled in the manner and upon the terms and conditions set forth in herein. The Defendants
13 have also taken into account the uncertainty and risk inherent in any litigation, especially in
14 complex cases such as the Actions and have, therefore, determined that it is desirable and
15 beneficial to them that the Actions be settled in the manner and upon the terms set forth in this
16 Stipulation.

17 U. This Stipulation shall in no event be construed to be evidence of or an admission
18 or concession on the part of Defendants with respect to any claim or any fault or liability or
19 wrongdoing or damage whatsoever, or any infirmity in the defenses that Defendants have
20 asserted.

21 V. This Stipulation shall in no event be construed or deemed to be evidence or a
22 concession by the Lead Plaintiff of any infirmity in the claims asserted in the Actions.

23 W. Defendants and Lead Plaintiff agree that, during the course of the litigation, the
24 litigants and their respective counsel at all times complied with the requirements of Rule 11 of
25 the Federal Rules of Civil Procedure. The parties and their counsel further agree that the
26 Actions were resolved in good faith after consultation with competent counsel and following
27 arms' length bargaining in the mediation, and that the Settlement confers substantial benefits
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upon the Class and, based upon Lead Plaintiff's evaluation, is fair, reasonable and adequate.

NOW THEREFORE, the parties to this Stipulation, through the undersigned duly authorized representatives, intending to be legally bound hereby, STIPULATE AND AGREE that, subject to approval of the Court pursuant to Rule 23(e) of the Federal Rules of Civil Procedure, the Actions and the Released Claims shall be finally and fully compromised, settled, and released, and the Actions shall be dismissed against Defendants with prejudice upon and subject to the following terms and conditions.

DEFINITIONS

1. As used in this Stipulation, exhibits attached hereto and made part hereof, and related documents (unless otherwise indicated), the following terms shall have the following meanings:

a. "Authorized Claimant" shall mean a Claimant who files a timely and valid Proof of Claim with required documentation in accordance with the requirements of the Hearing Order, Notice and paragraph 16 of this Stipulation and whose claims have been allowed pursuant to the terms of the Stipulation.

b. "Claimant(s)" shall mean any member of the Class who files a Proof of Claim in connection with this Settlement in such manner and within such time as provided in this Stipulation, or as the Court shall prescribe.

c. "Class" shall mean all persons and entities who purchased or otherwise acquired the publicly traded securities of Juniper Networks, Inc. from July 11, 2003 through August 10, 2006, inclusive (the "Class Period"), who did not sell such acquired securities before May 18, 2006, and were damaged thereby, including but not limited to (i) those who received or acquired Juniper common stock issued pursuant to a registration statement on SEC Form S-4, dated March 10, 2004, for the Company's merger with NetScreen Technologies Inc.; and (ii) purchasers of Zero Coupon Convertible Senior Notes due June 15, 2008 issued pursuant to a registration statement on SEC Form S-3, dated November 20, 2003. Excluded from the Class are the Defendants and the current and former officers and directors of the Company,

1 their immediate families, their heirs, successors, or assigns and any entity controlled by any
2 such person. Also excluded from the Class are persons who request exclusion from the Class
3 pursuant to the terms of this Stipulation or order of the Court.

4 d. "Class Actions" shall mean the actions identified in paragraphs A-B of
5 this Stipulation, including the Berry Action, and all other related actions asserting similar or
6 related claims filed in or transferred to the Court prior to entry of the Hearing Order.

7 e. "Class Escrow Agent" shall mean Amalgamated Bank.

8 f. "Class Members" or "Members of the Class" shall mean a Person or
9 Persons who are members of the Class.

10 g. "Class Notice" or "Notice" shall mean the Notice of Class Action
11 Certification and Proposed Partial Settlement, substantially in the form annexed hereto as
12 Exhibit A-1 to the Hearing Order.

13 h. "Class Notice and Administration Account" shall mean the Disbursement
14 Account referenced in the Escrow Agreement.

15 i. "Class Order" shall mean the Court's Order with respect to class
16 certification dated October 16, 2009.

17 j. "Class Period" shall mean the period from July 11, 2003 through August
18 10, 2006, inclusive.

19 k. "Complaints" shall mean the Consolidated Amended Class Action
20 Complaint served and filed on or about April 9, 2007 in the Juniper Action and the Amended
21 Class Action complaint served and filed on or about June, 18, 2009 in the Berry Action.

22 l. "Defendants" shall mean the Juniper Defendants and Berry.

23 m. "Defendants' Counsel" shall collectively mean the Juniper Defendants'
24 Counsel and Lisa Berry's Counsel as defined herein.

25 n. "Effective Date" shall mean the date determined pursuant to paragraphs 4
26 and 5 of the Stipulation.

27 o. "Escrow Agreement" means the February 19, 2010 Escrow Agreement
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1 between Amalgamated, Lead Plaintiff and Defendants.

2 p. "Final Judgment" or "Judgment" shall mean the Final Judgment and Order
3 of Dismissal with Prejudice to be entered in the Class Actions pursuant to paragraphs 22-24 of
4 this Stipulation, substantially in the form of Exhibit B hereto.

5 q. "Hearing Order" shall mean the Order Preliminarily Approving Settlement
6 and Providing for Notice scheduling the Settlement Fairness Hearing and authorizing notice to
7 the Class of such a hearing to be entered by the Court pursuant to paragraph 21 of the
8 Stipulation, substantially in the form of Exhibit A annexed hereto.

9 r. "Individual Defendants" shall mean Marcel Gani, Scott Kriens, Pradeep
10 Sindhu, Robert M. Calderoni, Kenneth Goldman, William R. Hearst III, Stratton Scavos,
11 Vinod Khosla, Kenneth Levy, William R. Stensrud, and Lisa C. Berry.

12 s. "Juniper" shall mean Juniper Networks, Inc.

13 t. The "Juniper Defendants' Counsel" shall mean the law firm of Wilson
14 Sonsini Goodrich & Rosati, P.C.

15 u. "Lead Counsel" or "Lead Plaintiff's Lead Counsel" shall mean the law
16 firm of Lowey Dannenberg Cohen & Hart, P.C.

17 v. "Lead Plaintiff" shall mean the New York City Employees' Retirement
18 System, the Teachers' Retirement System of the City of New York, the New York City Fire
19 Department Pension Fund, the New York City Police Pension Fund, the New York City Police
20 Superior Officers' Variable Supplements Fund, the New York City Police Officers' Variable
21 Supplements Fund, the New York City Firefighters' Variable Supplements Fund, the New York
22 City Fire Officers' Variable Supplements Fund and the New York City Teachers' Retirement
23 System of the City of New York Variable Annuity Program (the "NYC Funds").

24 w. "Lead Plaintiff's Local Counsel" shall mean the law firm of Schubert
25 Jonckheer Kolbe & Kralowec LLP.

26 x. "Lisa Berry's Counsel" shall mean the law firm of Orrick, Herrington &
27 Sutcliffe LLP.

1 y. “Net Class Settlement Fund” shall mean the Settlement Fund less all
2 attorneys’ and other fees, litigation costs, and expenses as approved by the Court, taxes and
3 expenses that are paid out of the Settlement Fund in connection with the Settlement of the Class
4 Actions.

5 z. “Person” shall mean an individual, corporation, partnership, limited
6 partnership, association, joint stock company, estate, legal representative, trust, unincorporated
7 organization, and any other type of legal entity, and their respective executors, administrators,
8 representatives, agents, attorneys, heirs, successors, and/or assigns.

9 aa. “Proof of Claim” shall collectively mean the Proof of Claim and Release,
10 substantially in the form annexed hereto as Exhibit A-2 to the Hearing Order.

11 bb. “Related Parties” means each of a Defendant’s past or present family
12 members, heirs, executors, administrators, subsidiaries, parents, successors and predecessors,
13 officers, directors, shareholders (excepting Class Members), partners, agents, employees,
14 attorneys, insurers and any person, firm, trust, corporation, officer, director, or other individual
15 or entity in which any Defendant has a controlling interest or which is related to or affiliated
16 with any of the Defendants, and the legal representatives, heirs, successors in interest, or
17 assigns of the Defendants.

18 cc. “Released Persons” means the Defendants and each of their Related
19 Parties. EY is not a Released Person under this Stipulation.

20 dd. “Settled Class Claims” or “Released Claims” shall mean any and all
21 rights, demands, claims (including “Unknown Claims” as defined in ¶ mm) and causes of action
22 of every nature and description, in law or equity, whether arising under federal, state, local,
23 statutory or common law, foreign law, or other law, or other law, rule or regulation, whether
24 fixed or contingent, liquidated or unliquidated, matured or un-matured, accrued or unaccrued
25 and whether known or unknown that Lead Plaintiff or any member of the Class asserted, or
26 could have asserted in the Actions or in any other action or forum against the Released Persons
27 arising out of, relating to, directly or indirectly, or in connection with the purchase, or purchase
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1 and sale, or acquisition of Juniper securities during the Class Period, and the facts, matters,
 2 allegations, transactions, events, disclosures, statements, acts or omissions which were alleged
 3 or could have been alleged in the Actions. For the avoidance of doubt, "Settled Class Claims"
 4 or "Released Claims" shall not include those Unreleased and Assigned Claims as defined in the
 5 Stipulation of Settlement dated August 11, 2008 in *In re Juniper Derivative Action*, No. 5:06-
 6 cv-03396-JW (N.D. Cal.) and *In re Juniper Networks, Inc. Derivative Litigation*, Lead Case No.
 7 1:06CV064294 (Superior Court of California, Santa Clara County), which was approved by
 8 court orders in both of those cases. Nothing herein is intended to release any claims against
 9 Ernst & Young LLP.

10 ee. "Settlement Administrator" or "Claims Administrator" shall mean Rust
 11 Consulting, Inc., the firm retained and supervised by Lead Plaintiff's Counsel to administer the
 12 Settlement, or such other firm that may be retained and supervised by Lead Plaintiff's Counsel
 13 to provide services relating to the provision of notice to the Class and administration of the
 14 Settlement.

15 ff. "Settlement Fairness Hearing" shall mean the hearing to be held by the
 16 Court for the purposes set forth in paragraphs 21 and 25 of the Stipulation.

17 gg. "Settlement Fund" shall mean the one hundred sixty nine million dollars
 18 (\$169,000,000) previously deposited by Juniper into an interest bearing escrow account
 19 designated and controlled by Lead Plaintiff's Lead Counsel pursuant to the February 5, 2010
 20 Memorandum of Understanding ("MOU") between Lead Plaintiff and Defendants plus all
 21 interest earned thereon and which may be reduced by payments or deductions as provided
 22 herein or by Court order.

23 hh. "Settlement Fund Escrow Account" shall mean the Juniper Settlement
 24 Fund Custodial Escrow Account described in the Escrow Agreement.

25 ii. "Settling Parties" shall mean Lead Plaintiff, the Juniper Defendants and
 26 Berry.

27 jj. "Stipulation of Settlement" or "Stipulation" shall mean this Stipulation of
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1 Settlement, including the exhibits attached hereto, each of which is incorporated by reference as
 2 though set forth in the Stipulation itself.

3 kk. "Summary Notice" shall mean the summary notice describing the
 4 settlement of these Actions and the hearing on the Settlement, substantially in the form annexed
 5 hereto as Exhibit A-3 to the Hearing Order.

6 ll. "Supplemental Stipulation" means that separate agreement between the
 7 Settling Parties pursuant to which the Defendants have the option to terminate the Stipulation if
 8 the Persons timely requesting exclusion from the Settlement purchased, in aggregate, greater
 9 than a specified number of Juniper securities during the Class Period.

10 mm. "Unknown Claims" means all claims, demands, liabilities, and causes of
 11 action of every nature and description which the Lead Plaintiff or any Class Member does not
 12 know or suspect to exist in his, her or its favor at the time of the release of the Released Persons
 13 which, if known by him, her or it, might have affected his, her or its settlement with and release
 14 of the Released Persons, or might have affected his, her or its decision not to object to or to
 15 seek exclusion from this Settlement. With respect to any and all Released Claims, the Settling
 16 Parties stipulate and agree that, upon the Effective Date, the Lead Plaintiff shall expressly
 17 waive, and each of the Class Members shall be deemed to have and by operation of the
 18 Judgment shall have expressly waived, the provisions, rights and benefits conferred by any law
 19 of any state or territory of the United States, or principle of common law, which is similar,
 20 comparable or equivalent to California Civil Code § 1542, which provides:

21 A general release does not extend to claims which the creditor does
 22 not know or suspect to exist in his or her favor at the time of
 23 executing the release, which if known by him or her must have
 materially affected his or her settlement with the debtor.

24 The Lead Plaintiff and Class Members may hereafter discover facts in addition to or different
 25 from those which he, she or it now knows or believes to be true with respect to the subject
 26 matter of the Released Claims, but each Lead Plaintiff shall expressly and each Class Member,
 27 upon the Effective Date, shall be deemed to have, and by operation of the Judgment shall have,
 28 fully, finally, and forever settled and released any and all Released Claims, known or unknown,

1 suspected or unsuspected, contingent or non-contingent, whether or not concealed or hidden,
 2 which now exist, or heretofore have existed, upon any theory of law or equity now existing or
 3 coming into existence in the future, including, but not limited to, conduct which is negligent,
 4 intentional, with or without malice, or a breach of any duty, law or rule, without regard to the
 5 subsequent discovery or existence of such different or additional facts. The Lead Plaintiff
 6 acknowledges, and the Class Members shall be deemed by operation of the Judgment to have
 7 acknowledged, that the foregoing waiver was separately bargained for and a key element of the
 8 settlement of which this release is a part.

9 **THE SETTLEMENT CONSIDERATION**

10 2. In consideration of the Settlement and Releases provided herein, and subject to
 11 the terms and conditions stated herein, on February 19, 2010, Juniper deposited the sum of one
 12 hundred sixty-nine million dollars (\$169,000,000) into an interest bearing escrow account
 13 designated and controlled by Lead Plaintiff's Lead Counsel pursuant to the MOU.

14 3. The Settlement Fund shall be subject to the jurisdiction of the Court and will
 15 remain subject to the jurisdiction of the Court until such time as it is distributed or returned
 16 pursuant to this Stipulation. Lead Plaintiff, through Lead Plaintiff's Lead Counsel, and
 17 Defendants in the Juniper Action, through the Juniper Defendants' Counsel, have entered into a
 18 separate Escrow Agreement, with the Class Escrow Agent serving as escrow agent over the
 19 Settlement Fund Escrow Account and the Class Notice and Administration Account. The Class
 20 Escrow Agent shall be permitted to release funds from the Settlement Fund Escrow Account
 21 and the Class Notice and Administration Account in accordance with the terms and conditions
 22 of this Stipulation, the Escrow Agreement and as ordered by the Court. Except as otherwise
 23 provided herein, Defendants shall have no responsibility for, or any liability whatsoever with
 24 respect to (i) the disposition, administration, management, investment or distribution of the
 25 Settlement Fund, (ii) the determination, administration, calculation or payment of any claims
 26 asserted against the Settlement Fund, (iii) any losses suffered by, or fluctuations in the value of,
 27 the Settlement Fund, (iv) any act, omission or determination of Lead Plaintiff's Counsel, the
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1 Class Escrow Agent, or any of their respective designees or agents, in connection with the
 2 administration of the Settlement Fund or otherwise, or (v) the payment or withholding of taxes,
 3 expenses, and/or costs incurred in connection with the taxation of the Settlement Fund or the
 4 filing of any returns.

5 **EFFECTIVE DATE**

6 4. The Settlement shall not become effective until the Effective Date. The Effective
 7 Date means the date on which all of the following preconditions are satisfied, unless the
 8 preconditions are expressly waived in writing by the Lead Plaintiff and Defendants:

9 (a) Defendants have not exercised their option to terminate the Stipulation pursuant to
 10 paragraph 7; (b) the Final Judgment, substantially in the form of Exhibit B, has been entered by
 11 the Court; and (c) the applicable period to file all appeals from the Final Judgment has expired
 12 without the filing of any appeals, or motion to alter or amend the Final Judgment under Federal
 13 Rule of Civil Procedure 59(e), or, in the event of any appeal or motion to alter or amend, the
 14 appeal or motion to alter or amend has been disposed by voluntarily dismissal or withdrawal of
 15 the appeal or motion, or by entry of an order dismissing the appeal or motion or affirming the
 16 appealed Final Judgment, and any time period for further appeal, including a petition for a writ
 17 of certiorari, has expired.

18 5. Notwithstanding the foregoing, the Effective Date shall not be delayed if an
 19 appeal is taken from or review is sought of any Final Judgment if such appeal or petition for
 20 review solely challenges (a) the Fee and Expense Award (as defined in paragraph 25) and/or
 21 (b) the Plan of Allocation of the Net Class Settlement Fund among Class Members. Upon the
 22 Effective Date, the Settlement shall be binding and final ("Effective").

23 **CONDITION FOR DEFENDANTS' WITHDRAWAL FROM SETTLEMENT**

24 6. On or before twenty (20) days prior to the Settlement Fairness Hearing, Lead
 25 Counsel shall file with the Court, and serve on counsel for Defendants, an affidavit setting forth
 26 the names of all persons to whom the Class Notice was sent, copies of all requests for exclusion
 27 received from Persons in the Class pursuant to the Class Notice or otherwise, and copies of all
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1 rescissions or revocations of requests for exclusion. Defendants have the option in their sole
 2 discretion to terminate the Stipulation if the conditions stated in the Supplemental Stipulation
 3 occur and if Juniper elects to provide written notice of termination as provided in paragraph 7.
 4 The Supplemental Stipulation shall not be filed with the Court unless and until a dispute arises
 5 among the Settling Parties as to its interpretation or application.

6 7. Defendants may withdraw from this Stipulation pursuant to the preceding
 7 paragraph only if a written notice of termination of this Stipulation is filed by Juniper with the
 8 Court and served on Lead Counsel at least five (5) days prior to the Settlement Fairness
 9 Hearing. Defendants shall not have any right to terminate or cancel this Stipulation, and any
 10 notice of termination given by any of them shall be null and void and of no further force and
 11 effect if, prior to the Settlement Fairness Hearing, Persons who requested exclusion from the
 12 Class timely and validly withdraw or revoke their requests for exclusion in an amount sufficient
 13 to cause the amount of shares of Juniper's securities of those Persons requesting exclusion from
 14 the Class to be less than the amount of shares set forth in the Supplemental Stipulation. If the
 15 conditions for withdrawal stated in the Supplemental Stipulation are met, then counsel for the
 16 parties may contact any Person requesting exclusion, or such Person's counsel, to discuss their
 17 request for exclusion. To validly rescind or revoke a request for exclusion from the Class, a
 18 Person must file with the Court and serve on Lead Counsel and the Juniper Defendants'
 19 Counsel, no later than two (2) days before the Settlement Fairness Hearing, a written notice of
 20 rescission signed by such Person, stating that Person's desire to be bound by the Settlement and
 21 any judgment in the Actions, and stating the number of Juniper securities purchased by that
 22 Person during the Class Period and held at least until May 18, 2006; provided, however, that the
 23 filing of such written notice of rescission may be effected by Lead Counsel.

24 **TERMINATION OF STIPULATION**

25 8. In the event that the preconditions to the Effective Date set out in paragraphs 4-5
 26 hereof are not satisfied, or if this Stipulation is terminated under paragraph 7, or if the Effective
 27 Date does not occur for any reason, this Stipulation shall be deemed null and void with the
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1 exception of paragraphs U, V, 8, 9, 11(c), 29-30, 33, 35, and 45, and shall have no further force
 2 and effect with respect to any party, and neither the Stipulation, the Exhibits hereto, nor the
 3 settlement negotiations shall be used or referred to in any action or proceeding for any purpose.

4 9. In the event that the preconditions to the Effective Date set out in paragraphs 4-5
 5 hereof are not satisfied, or if this Stipulation is terminated under paragraph 7, or if the Effective
 6 Date does not occur for any reason, the parties shall be deemed to have reverted to their
 7 respective status and litigation positions in the respective Actions as of the date and time
 8 immediately prior to the execution of the MOU. In that event, the parties shall proceed in all
 9 respects as if this Stipulation and any related orders had not been entered, and the entire
 10 Settlement Fund, including any interest or earnings thereon, less any taxes due with respect to
 11 such income or amounts paid pursuant to paragraph 30 below, and less any amounts actually
 12 and properly expended or owed in connection with providing notice pursuant to paragraph 11
 13 below, shall be returned in full to Juniper by the Class Escrow Agent within ten (10) business
 14 days of notice to the Class Escrow Agent of such termination or failure to obtain final judicial
 15 approval or reversal on appeal pursuant to written instructions from Juniper's counsel. In
 16 addition, any expenses set forth in paragraphs 11 and 30 already incurred and chargeable based
 17 upon services rendered by the time of such termination or cancellation, but which have not been
 18 paid, shall be paid by the Class Escrow Agent from the Settlement Fund, in accordance with the
 19 terms of this Stipulation, prior to the balance being refunded to Juniper in accordance with this
 20 paragraph. At the request of counsel for Juniper, the Escrow Agent or its designee shall apply
 21 for any tax refund owed on the Settlement Fund and pay the proceeds, after deduction of any
 22 fees or expenses incurred in connection with such application (s) for refund to Juniper.

23 **ADMINISTRATION OF THE SETTLEMENT**

24 10. The Settlement Administrator shall administer the Settlement under Lead
 25 Plaintiff's Lead Counsel's supervision and subject to the jurisdiction of the Court. Defendants
 26 and Defendants' Counsel shall have no role in, responsibility for, interest in, or liability with
 27 respect to (a) any act, omission or determination of Plaintiff's Lead Counsel, the Class Escrow
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1 Agent or the Settlement Administrator, or any of their respective designees or agents, in
 2 connection with administering the Settlement ; (b) the management, investment or distribution
 3 of the Settlement Fund; (c) the Plan of Allocation; (d) the review, determination,
 4 administration, calculation, or payment of any claims asserted against the Settlement Fund; (e)
 5 any losses suffered by, or fluctuations in the value of, the Settlement Fund; or (f) the payment
 6 or withholding of any taxes, expenses, and/or costs incurred in connection with the taxation of
 7 the Settlement Fund or filing of any returns. Notwithstanding the foregoing, upon preliminary
 8 approval of the Settlement by the Court, Juniper shall promptly provide or cause to be provided
 9 to the Settlement Administrator the Company's lists of shareholder during the Class Period, as
 10 Juniper or its transfer agent may possess, for the purpose of giving notice to said Class
 11 Members. Lead Plaintiff's Lead Counsel shall supervise the Settlement Administrator to ensure
 12 that the Settlement Administrator takes reasonable steps to protect the confidentiality of such
 13 information and the privacy of Juniper security holders, and to prevent the publication,
 14 dissemination or distribution of such information except as required for purposes of the
 15 Settlement.

16 11. Subject to the limitations and conditions set forth in this Stipulation of Settlement
 17 and the Escrow Agreement,:

- 18 a. The Class Notice and Administration Account, and, if that account is
 19 exhausted, the Settlement Fund Escrow Account, may be utilized for reasonable actual out-of-
 20 pocket costs actually incurred for settlement administration, including:
- 21 i. Printing and mailing of the Notice and Proof of Claim and Release
 22 to the Class;
 - 23 ii. Publication of the Summary Notice;
 - 24 iii. The Settlement Administrator's costs and fees for services
 25 performed in connection with the administration of the settlement contemplated by this
 26 Stipulation;
 - 27 iv. Costs to reimburse brokers or nominees in connection with
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1 dissemination of the Notice to the Class;

2 v. Costs associated with the processing and administration of claims
3 and requests for exclusion;

4 vi. Preparation and filing of any elections required by this Stipulation
5 and the costs of calculating and preparing necessary documents in connection with taxes and
6 payment of any taxes due on the Settlement Fund that are paid pursuant to paragraph 30 below;

7 vii. The cost of identifying and locating members of the Class;

8 viii. The cost for allocating and distributing the Net Settlement Fund to
9 Class Members; and

10 ix. Escrow fees and costs.

11 b. After the Effective Date, the Settlement Fund may be used for such
12 additional amounts as may be reasonable and necessary for administration of the settlement
13 contemplated by this Stipulation, all subject to and as approved by the Court.

14 c. The Class Escrow Agent and the Settlement Administrator shall maintain
15 accurate records of all expenditures made for the purposes enumerated in this paragraph 11.

16 d. In the event the Stipulation is terminated, Lead Plaintiff, Lead Counsel,
17 and the Class shall not be responsible for any expenses validly disbursed or reimbursed in
18 accordance with this Stipulation from the Class Notice and Administration Account for notice
19 and claims administration prior to the Effective Date.

20 e. Lead Plaintiff's Lead Counsel may apply to the Court, on notice to the
21 parties to this Stipulation, for interim payments to the Claims Administrator for services
22 performed by it in connection with the administration of the settlement contemplated by this
23 Stipulation, which interim fees will be payable out of the Settlement Fund, subject to the
24 limitations set forth above.

25 **DISTRIBUTION TO AUTHORIZED CLAIMANTS**

26 12. The Settlement Administrator shall determine each Authorized Claimant's pro
27 rata share of the cash in the Net Class Settlement Fund based upon each Authorized Claimant's
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claim (specific details about the Plan of Allocation are described in the Notice annexed hereto as Exhibit A-1 to Exhibit A, or in such other Plan of Allocation as the Court approves).

13. The Plan of Allocation proposed in the Notice is not a necessary term of this Stipulation and it is not a condition of this Stipulation that the proposed Plan of Allocation be approved. Any decision by the Court concerning the Plan of Allocation shall not affect the validity or finality of the settlement contemplated by this Stipulation.

14. Each Authorized Claimant shall be allocated a share of the cash in the Net Class Settlement Fund in accordance with the Plan of Allocation. Defendants will not have any involvement in reviewing or challenging claims. Juniper shall not be entitled to the return of any of the Net Class Settlement Fund once the Effective Date occurs. No Person shall have any claim against Lead Plaintiff, Lead Plaintiff's Lead Counsel, the Claims Administrator or any other agent designated by Lead Counsel based on distribution determinations or claim rejections made substantially in accordance with this Stipulation and the Settlement contained therein, the Plan of Allocation, or further orders of the Court. If, after distribution of the Net Class Settlement Fund, there is a balance remaining, which Lead Plaintiff's Lead Counsel determines is too small to distribute to the Class, Lead Plaintiff's Lead Counsel shall file a motion seeking an order to donate the remaining funds to an appropriate 501(c)(3) charitable organization selected by Lead Plaintiff through their counsel and agreed to by Defendants.

CLAIMS ADMINISTRATION

15. Lead Counsel shall be responsible for supervising the administration of the Settlement and disbursement of the Net Class Settlement Fund by the Settlement Administrator. Lead Counsel shall have the right, but not the obligation, to waive what they deem to be technical defects in any Proof of Claim submitted in the interest of achieving substantial justice.

16. For purposes of determining the extent, if any, to which a Class Member shall be entitled to be treated as an "Authorized Claimant," the following conditions shall apply:

a. Each Class Member shall be required to submit a Proof of Claim (substantially in the form attached as Exhibit A-2 to Exhibit A), supported by such documents

1 as are designated therein, including proof of the Claimant's loss, electronic data files (for large
2 claims filed by institutions or by third-party filers on behalf of multiple Class Members) or such
3 other documents or proof as is deemed acceptable by the Claims Administrator and Lead
4 Counsel;

5 b. All Proofs of Claim must be submitted by the date specified in the Notice
6 unless such period is extended pursuant to an order of the Court. Any Class Member who fails
7 to submit a Proof of Claim by such date shall be forever barred from receiving any payment
8 pursuant to this Stipulation (unless, by order of the Court, an acceptance of a later submitted
9 Proof of Claim by such Class Member is approved), but shall in all other respects be bound by
10 all of the terms of this Stipulation and the Settlement including the terms of the Final Judgment
11 to be entered in the Class Actions and the releases provided for herein, and will be barred from
12 bringing any action against the Released Persons concerning the Settled Class Claims.

13 Provided that it is actually received no later than thirty (30) days after the final date for
14 submission of Proofs of Claim, a Proof of Claim shall be deemed to have been submitted when
15 posted, if received with a postmark indicated on the envelope and if mailed first-class postage
16 prepaid and addressed in accordance with the instructions thereon. In all other cases, the Proof
17 of Claim shall be deemed to have been submitted when actually received by Lead Counsel or
18 their designee;

19 c. Each Proof of Claim shall be submitted to and reviewed by the Claims
20 Administrator, under the supervision of Lead Counsel, who shall determine in accordance with
21 this Stipulation the extent, if any, to which each claim shall be allowed, subject to review by the
22 Court pursuant to subparagraph (f) below;

23 d. Proofs of Claim that do not meet the filing requirements may be rejected.
24 Prior to rejection of a Proof of Claim, the Settlement Administrator shall communicate with the
25 Claimant in order to afford him, her or it the opportunity to remedy any curable deficiencies in
26 the Proof of Claim submitted. The Settlement Administrator, under supervision of Lead
27 Counsel, shall notify, in a timely fashion and in writing, all Claimants whose Proofs of Claim
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1 they propose to reject in whole or in part, setting forth the reasons therefore, and shall indicate
2 in such notice that the Claimant whose claim is to be rejected has the right to a review by the
3 Court if the Claimant so desires and complies with the requirements of subparagraph (e) below;

4 e. If any Claimant whose claim has been rejected in whole or in part desires
5 to contest such rejection, the Claimant must, within twenty (20) days after the date of mailing of
6 the notice required in subparagraph (d) above, serve upon the Settlement Administrator a notice
7 and statement of reasons indicating the Claimant's grounds for contesting the rejection along
8 with any supporting documentation, and requesting a review thereof by the Court. If a dispute
9 concerning a claim cannot be otherwise resolved, Lead Counsel shall thereafter present the
10 request for review to the Court; and

11 f. The administrative determinations of the Settlement Administrator
12 accepting and rejecting claims shall be presented to the Court, on notice to Defendants'
13 Counsel, for approval by the Court in the Class Distribution Order (as defined in paragraph 27).

14 17. Each Claimant shall be deemed to have submitted to the jurisdiction of the Court
15 with respect to the Claimant's claim, and the claim will be subject to investigation and
16 discovery under the Federal Rules of Civil Procedure, provided that such investigation and
17 discovery shall be limited to that Claimant's status as a Class Member and the validity and
18 amount of the Claimant's claim. No discovery shall be allowed on the merits of the Class
19 Actions or the Settlement in connection with processing of the Proofs of Claim.

20 18. Payment pursuant to this Stipulation shall be deemed final and conclusive against
21 all Class Members. All Class Members who do not submit a claim or whose claims are not
22 approved by the Court shall be barred from participating in distributions from the Settlement
23 Fund, but otherwise shall be bound by all of the terms of this Stipulation and the Settlement,
24 including the terms of the Final Judgment to be entered in the Class Actions and the releases
25 provided for herein, and will be barred from bringing any action against the Released Persons
26 asserting any Settled Class Claims.

27 19. All proceedings with respect to the administration, processing and determination
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1 of claims described in this Stipulation and the determination of all controversies relating
 2 thereto, including disputed questions of law and fact with respect to the validity of claims, shall
 3 be subject to the jurisdiction of the Court.

4 20. The Net Class Settlement Fund shall be distributed to Authorized Claimants by
 5 the Settlement Administrator only after the Effective Date, and after: (a) all Proofs of Claim
 6 have been processed, and all Claimants whose claims have been rejected or disallowed, in
 7 whole or in part, have been notified and provided the opportunity to be heard concerning such
 8 rejection or disallowance; (b) all objections with respect to all rejected or disallowed claims not
 9 otherwise resolved have been resolved by the Court, and all appeals therefrom have been
 10 resolved or the time therefore has expired; (c) all matters with respect to attorneys' fees, costs,
 11 and disbursements have been resolved by the Court, all appeals therefrom have been resolved
 12 or the time therefore has expired; and (d) costs of administration (as set forth in paragraph 11)
 13 and Taxes (as set forth in paragraph 30) on the Settlement Fund have been paid.

14 **HEARING ORDER**

15 21. Promptly following execution of this Stipulation, Lead Plaintiff, Defendants shall
 16 request that the Court enter a Hearing Order in substantially the form annexed hereto as Exhibit
 17 A, which is incorporated in this Stipulation by this reference, providing for a Settlement
 18 Fairness Hearing to approve the settlement of these Class Actions with respect to the
 19 Defendants pursuant to this Stipulation and for the entry of a Final Judgment substantially in
 20 the form of Exhibit B attached hereto.

21 **FINAL JUDGMENT TO BE ENTERED BY THE COURT**

22 22. Upon approval by the Court of the Settlement set forth in this Stipulation, the
 23 Settling Parties shall request that the Court enter a Final Judgment substantially in the form of
 24 Exhibit B hereto, which is incorporated in this Stipulation by this reference.

25 23. The Final Judgment shall include a bar order providing: In accordance with 15
 26 U.S.C. § 78u-4(f)(7)(A) and pursuant to federal common law, any and all claims which are
 27 brought by any Person against Defendants (a) for contribution or indemnification arising out of
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any Settled Claim, or (b) where the damage to the claimant is measured by reference to the claimant's liability to the Lead Plaintiff or the Class, are hereby permanently barred and discharged. Any such claims brought by Defendants against any Person (other than Persons whose liability to Lead Plaintiff or the Class is extinguished by this Settlement) are likewise permanently barred and discharged. Notwithstanding the foregoing, nothing herein shall bar or discharge or otherwise affect those Unreleased and Assigned Claims as defined in the Stipulation of Settlement dated August 11, 2008 in *In re Juniper Derivative Action*, no. 5:06-cv-03396-JW (N.D. Cal.) and *In re Juniper Networks, Inc. Derivative Litigation*, Lead Case No. 1:06cv064294 (Superior Court of California, Santa Clara County), which was approved by court orders in both of those cases. Further, nothing in this Stipulation shall apply to bar or otherwise affect any claim of right to indemnification between Juniper and any present or former officer or director of Juniper, or any claim for insurance coverage by any Defendant. Pursuant to 15 U.S.C. § 78u-4(f)(7)(B) and pursuant to federal common law, in the event Lead Plaintiff or the Class shall obtain a verdict or judgment against non-settling defendant Ernst & Young LLP in the Juniper Action, the verdict or judgment shall be reduced by the greater of (i) an amount that corresponds to the percentage of responsibility of Defendants, or (ii) the amount paid by Juniper in this settlement that should be properly allocated to the claim against Ernst & Young, LLP, for which said verdict or judgment is entered.

24. (a) In addition to such effect as the Final Judgment shall have under law, on and after the Effective Date, each and every Lead Plaintiff and the Class (and all Class Members) shall be deemed to have, and by operation of law shall have, fully, finally and forever released, relinquished and discharged all Released Claims against the Defendants and the Released Persons, whether or not such Lead Plaintiff or Class Member executes and delivers a Proof of Claim and Release. Thereafter the only claims of the Lead Plaintiff and/or any Class Member shall be to enforce the terms of the Stipulation or the Final Judgment.

(b) Upon the Effective Date, Defendants and the Related Parties shall be deemed to have released and by operation of the Final Judgment shall have, fully, finally and

1 forever released Lead Plaintiff, all members of the Class, Lead Plaintiff's Lead Counsel, and all
 2 other counsel for Lead Plaintiff from all claims arising out of the instituting, prosecution,
 3 settlement or resolution of the Class Actions, provided, however, that Defendants and the
 4 Released Parties shall retain the right to enforce in the Court the terms of the Stipulation or
 5 Final Judgment.

6 **ATTORNEYS' FEES AND EXPENSES**

7 25. In connection with the Settlement Fairness Hearing, Lead Plaintiff's Lead
 8 Counsel may apply for and receive an award of reasonable attorneys' fees and reimbursement
 9 of expenses from the Settlement Fund (the "Fee and Expense Award") as set forth in the Class
 10 Notice. Any amount awarded by the Court shall be paid to Lead Plaintiff's Lead Counsel
 11 immediately upon award, notwithstanding the existence of any timely filed objections thereto,
 12 or potential for appeal therefrom, or collateral attack on the Settlement or any part thereof. In
 13 the event the Effective Date does not occur, or the order making the Fee and Expense Award is
 14 reversed or modified, or the Stipulation is canceled or terminated for any other reason, and in
 15 the event that the Fee and Expense Award has been paid to any extent, then Lead Counsel shall
 16 within five (5) business days from receiving notice from the Juniper Defendants' Counsel or
 17 from a court of appropriate jurisdiction, refund to the Settlement Fund the fees and expenses (or
 18 the amount by which such fees and expenses were lowered) that were previously paid to them
 19 from the Settlement Fund plus interest to be calculated thereon at the same rate earned on the
 20 Settlement Fund. Lead Counsel and Lead Plaintiff's Local Counsel, as a condition of receiving
 21 such fees and expenses, on behalf of itself and each partner and/or shareholder of it, agrees that
 22 the law firm and its partners and/or shareholders are subject to the jurisdiction of this Court for
 23 the purpose of enforcing the provisions of this paragraph.

24 26. The Fee and Expense Award is not a necessary term of this Stipulation and it is
 25 not a condition of this Stipulation that Lead Counsel's petition for attorneys' fees and expenses
 26 be approved by the Court. The procedure for and the allowance or disallowance by the Court of
 27 any application by Lead Counsel for attorneys' fees, costs and expenses to be paid out of the
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1 Settlement Fund, are not part of the settlement set forth in this Stipulation, and are to be
 2 considered by the Court separately from the Court's consideration of the fairness,
 3 reasonableness and adequacy of the settlement set forth in this Stipulation, and any order or
 4 proceedings relating to the fee and expense application, or any appeal from any order relating
 5 thereto or reversal or modification thereof, shall have no effect on the settlement and not
 6 operate to, or be grounds to, terminate or cancel this Stipulation, or affect or delay the finality
 7 of the Final Judgment approving this Stipulation and the Settlement of the Class Actions set
 8 forth herein.

9 **CLASS DISTRIBUTION ORDER AND EFFECTIVE DATE**

10 27. Lead Counsel will apply to the Court, on notice to Defendants' Counsel, for an
 11 order (the "Class Distribution Order") approving the Settlement Administrator's administrative
 12 determinations concerning the acceptance and rejection of the claims submitted herein and
 13 approving any fees and expenses not previously applied for, including the fees and expenses of
 14 the Settlement Administrator, and, if the Effective Date has occurred, and directing payment of
 15 the Net Class Settlement Fund to Authorized Claimants.

16 **TAXES**

17 28. As set forth in Paragraph 5 of the Escrow Agreement, the Settlement Fund is
 18 intended to be a qualified settlement fund for purposes of the Internal Revenue Code of 1986 as
 19 amended (the "Code"). The Settling Parties and Class Escrow Agent agree to treat the
 20 Settlement Fund as being at all times one or more Qualified Settlement Funds within the
 21 meaning of Treas. Reg. Section 1.468B-1. In addition, the Class Escrow Agent shall timely
 22 make the elections as are necessary or advisable to carry out the provisions of Treas. Reg.
 23 Section 1.468B-5(b)(2) and the relation-back election (as defined in Treas. Reg. Section
 24 1.468B-1(j)(2)(ii)) back to the earliest permitted date. Such elections shall be made in
 25 compliance with the procedures and requirements contained in such regulations. It shall be the
 26 responsibility of the Class Escrow Agent timely and properly to prepare and to deliver the
 27 necessary documentation for signature by all necessary parties, and to cause the appropriate
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1 filing to occur under Treas. Reg. Sections 1.468B-5(b)(2) and 1.468B-1(j)(2). Defendants and
2 Defendants' Counsel shall cooperate in providing such information, signatures and forms as
3 may be required for such filings.

4 29. For the purposes of Treas. Reg. Sections 1.468B The Class Escrow Agent shall be
5 designated as the "administrator" of the Settlement Fund. Class Escrow Agent shall timely and
6 properly file all informational and other tax returns necessary or advisable with respect to the
7 Settlement Fund , if any (including without limitation the returns described in Treas. Reg.
8 Section 1.468B-2(k)). Such returns (as well as the elections described in paragraph 28) shall
9 reflect that all taxes (including any estimated taxes, interest or penalties) on the income earned
10 by the Settlement Fund ("Taxes") shall be paid out of the Settlement Fund Escrow Account as
11 provided herein.

12 30. All (i) Taxes (including any interest and penalties) arising with respect to the
13 income earned by the Settlement Fund, including any Taxes or tax detriments that may be
14 imposed upon Defendants and their Related Parties with respect to any income earned by the
15 Settlement Fund for any period during which the Settlement Fund does not qualify as a
16 "qualified settlement fund" for federal or state income tax purposes, and (ii) expenses and costs
17 incurred in connection with the operation and implementation of paragraphs 28-29 (including,
18 without limitation, expenses of tax attorneys and/or accountants and mailing and distribution
19 costs and expenses relating to filing (or failing to file) the returns described in paragraph 29)
20 ("Tax Expense") shall be paid out of the Settlement Fund Escrow Account. In all events,
21 Defendants and their Related Parties shall have no liability or responsibility for any Taxes or
22 Tax Expenses. The Settlement Fund shall indemnify and hold each of the Defendants and their
23 Related Parties harmless for Taxes and Tax Expenses (including, without limitation, Taxes
24 payable by reason of such indemnification). Further, Taxes and Tax Expenses shall be treated
25 as, and considered to be, a cost of administration of the Settlement and shall be timely paid by
26 the Class Escrow Agent out of the Settlement Fund Escrow Account without further consent of
27 Defendants, or prior order of the Court, and the Class Escrow Agent shall be obligated
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(notwithstanding anything herein to the contrary) to withhold from distribution to Authorized Claimants any funds necessary to pay such amounts including the establishment of adequate reserves for any Taxes and Tax Expenses as well as any amounts required to be withheld under Treas. Reg. 1.468B-2(b)(2); neither Defendants nor their Related Parties are responsible therefor nor shall they have any liability with respect thereto. The Settling Parties agree to cooperate with the Class Escrow Agent, each other, and their tax attorneys and accounts to the extent reasonably necessary to carry out the provision of paragraphs 28-29. For purposes of paragraphs 28 through 29, references to the Settlement Fund shall include both the Settlement Fund and the Class Notice and Administration Account.

LIMITED RETENTION OF JURISDICTION

31. The Court shall retain jurisdiction of this Settlement for the purposes of allowing, disallowing or adjusting the claim of any Claimant on equitable grounds, and, among other things, of administering this Settlement, resolving any dispute hereunder, awarding Lead Counsel's attorneys' fees, and reimbursing their expenses and the expenses of Lead Plaintiff.

MISCELLANEOUS

32. All counsel and any other person executing this Stipulation and any of the exhibits hereto (the "Exhibits") or any related Settlement documents warrant and represent that they have the full authority to do so. Lead Counsel represents expressly that it is authorized to execute this Stipulation on behalf of Lead Plaintiff.

33. This Stipulation and the Settlement are not a concession or admission of wrongdoing or liability by any Person, and shall not be used or construed as an admission of any fault, omission, liability or wrongdoing on the part of any party hereto. Neither this Stipulation, nor the exhibits hereto, nor the fact of settlement, nor any settlement negotiations or discussions, nor the Final Judgment entered as provided above, nor any related document (a) is or may be deemed to be or may be used as an admission of, or evidence of, the validity of any Released Claim, or of any wrongdoing or liability of the Defendants or their Related Parties, or (b) is or may be deemed to be or may be used as an admission of, or evidence of, or concession

1 of, or to create any presumption or inference of, any fault or omission of any of the Defendants
2 or their Related Parties in any civil, criminal, or administrative proceeding in any court,
3 administrative agency, or other tribunal. Defendants and/or their Related Parties may file the
4 Stipulation and/or the Final Judgment in any action that may be brought against them in order
5 to support a defense or counterclaim based on principles of *res judicata*, collateral estoppel,
6 release, good faith settlement, judgment bar or reduction or any other theory of claim preclusion
7 or issue preclusion or similar defense or counterclaim, *provided*, however, that the Stipulation
8 and/or the Final Judgment may not be so used or filed to support any such defense or
9 counterclaim in respect of those Unreleased and Assigned Claims as defined in the Stipulation
10 of Settlement dated August 11, 2008 in *In re Juniper Derivative Action*, no. 5:06-cv-03396-JW
11 (N.D. Cal.) and *In re Juniper Networks, Inc. Derivative Litigation*, Lead Case No.
12 1:06cv064294 (Superior Court of California, Santa Clara County), which was approved by
13 court orders in both of those cases.

14 34. All parties agree to use their best efforts and to cooperate in order to obtain all
15 approvals necessary and to do all things reasonably necessary or helpful to effectuate the
16 Stipulation according to its terms, including the execution of all Exhibits or reasonably related
17 documents as soon as reasonably possible if such execution is necessary.

18 35. This Stipulation, all Exhibits hereto and any related Settlement documents shall
19 be governed and interpreted in accordance with the laws of the State of California as they apply
20 to contracts negotiated, made, executed and to be performed entirely within the State of
21 California, without giving effect to that State's choice-of-law principles, except to the extent
22 that federal law requires that federal law govern.

23 36. In the event of any dispute or disagreement with respect to the meaning, effect, or
24 interpretation of the Stipulation, any attached Exhibit or any related Settlement documents, or
25 in the event of a claimed breach of the Stipulation, an attached Exhibit or any related Settlement
26 documents, the parties hereto agree that such dispute will be adjudicated only in the Court or as
27 the parties hereto unanimously otherwise agree.

1 37. This Stipulation, all attached exhibits and all related settlement documents
2 (including the Escrow agreement and Supplemental stipulation) represent the entire agreement
3 between the parties hereto, supersede any prior agreements or understandings between the
4 parties with respect to the subject matter hereof, and shall not be modified unless in writing,
5 signed by all parties to this Stipulation.

6 38. In the event of a conflict between a provision in the Escrow Agreement and a
7 provision in this Stipulation, the provision in this Stipulation shall be controlling.

8 39. The parties have entered into this Stipulation solely upon the representations,
9 covenants and warranties contained and referred to in the Stipulation of Settlement, and no
10 party has placed any reliance on any representations not expressed in this Stipulation.

11 40. This Stipulation, its Exhibits and any related Settlement documents may be
12 executed in one or more counterparts, all of which together shall be one and the same
13 instrument and all of which shall be considered duplicate originals.

14 41. This Stipulation, its Exhibits and any related Settlement documents shall be
15 binding upon and inure to the benefit of the parties hereto and their respective heirs, executors,
16 administrators, legal representatives, predecessors, successors, affiliates and assigns, and upon
17 any corporation or other entity into or with which any party hereto may merge or consolidate.

18 42. In the event that any court is called upon to interpret this Stipulation, any of the
19 Exhibits hereto or any of the related Settlement documents, no one party or group of parties
20 shall be deemed to have drafted the Stipulation, any of the Exhibits hereto or any of the related
21 Settlement documents, but they shall be construed as if all parties hereto jointly prepared them
22 and any uncertainty or ambiguity shall not be interpreted against any one party, nor may any
23 party offer in evidence or otherwise use, for purposes of suggesting any interpretation of the
24 Stipulation, any of the Exhibits hereto or any of the related Settlement documents, any prior
25 drafts of the Stipulation, any of the Exhibits hereto or any of the related Settlement documents.

26 43. Each Party acknowledges that it has been represented by experienced legal
27 counsel, and after a full, fair and adequate opportunity to consult with counsel about the
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1 meaning and effect of the terms and conditions of this Stipulation and Settlement, and the
 2 benefits and risks of settlement, each Party represents that he/she/it enters into this Stipulation
 3 of Settlement freely, knowingly and voluntarily.

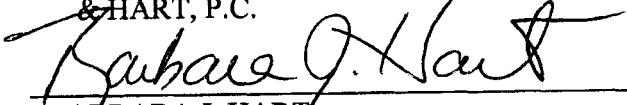
4 44. The Exhibits to the Stipulation and any related Settlement documents are
 5 incorporated in and constitute an integral part of the Stipulation.

6 45. All agreements made and orders entered during the course of the Actions relating
 7 to the confidentiality of information shall survive this Stipulation pursuant to their terms.

8 46. Lead Plaintiff, Defendants and their respective counsel shall not make any
 9 applications for sanctions, pursuant to Rule 11 of the Federal Rules of Civil Procedure or other
 10 Court rule or statute, with respect to any claims or defenses in the Actions. While retaining
 11 their right to deny liability, Defendants will agree that, based upon the publicly available
 12 information at the time, the Actions were filed in good faith and are being settled voluntarily by
 13 Defendants after consultation with competent legal counsel.

14
 15 Dated: March 15, 2010

16 LOWEY DANNENBERG COHEN
 17 & HART, P.C.

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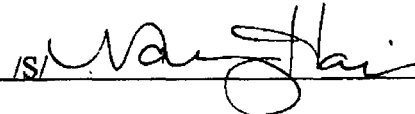
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